

OCA 1249-88

## COMMENT SHEET

OCA FILE Leg

STAT

TO:   
Office of Congressional Affairs

STAT

FROM: Compensation, Automation, and Planning/OP  
SUBJECT: S. 2194 and S. 2188, To Amend Section 307 of the  
Federal Employees' Retirement System Act of 1986

Subject bill has been reviewed by the Office of Personnel and our position is as follows:

- ☒ No objection.
- ☐ Continue monitoring/OP interest.
- ☒ No CIA equities.
- ☐ Seek CIA exemption.
- ☐ Advise OP when enacted.
- ☒ Comments.

Both Senate bills would amend section 307 of the FERSA to allow the use of thrift savings plan and Social Security costs, in addition to the currently-allowed retirement fund costs, in making cost comparisons under OMB Circular A-76 for the purpose of determining whether contracting out particular Government services would be less costly to the Government. In addition to the existing prohibition in section 307, regulations also prohibit the inclusion of Social Security contributions by the contractor. An inequity thus has arisen as a result of the fact that contractors pay Social Security contributions for all their employees while the Government pays only for those covered under FERS.

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The concerns raised by the Chief, Retirement Division regarding the possible release of sensitive personnel information to private contractors are most appropriate. However, in talking with  Chief, Logistics and Procurement Law Division, he informed me that the Agency does not provide

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contractors the total Agency costs of an activity or service being considered for contracting out. Contractors merely submit bids, which the Agency then compares against its own costs as computed pursuant to required formulas. Further, section 6 of the CIA Act of 1949 provides the Agency with sufficient authority to protect sensitive personnel information from disclosure.

STAT

22 April 1988

Date

Name Signed

COMMENT SHEET

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TO:

Office of Congressional Affairs

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FROM:

Compensation, Automation, and Planning/op

SUBJECT: H.R. 4145, To Provide That Wage Schedules for All Prevailing Rate Employees be Adjusted in Accordance with Public Policy

Subject bill has been reviewed by the Office of Personnel and our position is as follows:

- ☒ No objection.
- ☐ Continue monitoring/OP interest.
- ☒ No CIA equities.
- ☐ Seek CIA exemption.
- ☐ Advise OP when enacted.
- ☒ Comments.

This bill would amend 5 U.S.C. §5343(d) (2) to eliminate the distinction between prevailing rate employees of the Department of Defense and all other prevailing rate employees in establishing their wage schedules and rates.

Although 5 U.S.C. §5342 expressly exempts the Agency from Subchapter IV on Prevailing Rate Systems, the Agency administratively has adopted many of its provisions. Nevertheless, this bill would have no impact upon the Agency since the change affects only Department of Defense prevailing rate employees.

STAT

22 April 1988  
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TO:

Office of Congressional Affairs

FROM:

Compensation, Automation, and Planning/OP

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SUBJECT: S. 2196, To Amend the Fair Labor Standards Act to  
Allow Compensatory Time Off in Lieu of Compensation  
for Overtime Hours

Subject bill has been reviewed by the Office of Personnel and our  
position is as follows:

- ☒ No objection.
- ☐ Continue monitoring/OP interest.
- ☒ No CIA equities.
- ☐ Seek CIA exemption.
- ☐ Advise OP when enacted.
- ☒ Comments.

This bill would allow employees to request and receive compensatory time off instead of compensation for hours of overtime worked if the request is based on a contract between the employer and employee individually or on a collective bargaining agreement entered into prior to the performance of the work.

This provision would not apply to the Agency since we do not have unions nor collective bargaining and, although we have contract employees who might want such a provision included in their contract, we would not provide contract employee with a benefit that could not be made applicable to staff employees.

STAT

22 April 1988  
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TO:

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FROM:

Compensation, Automation, and Planning/OP

SUBJECT: S. 2125, To Amend the IRS Code to Eliminate an Exclusion  
from Income of U.S. Citizens Working Abroad

Subject bill has been reviewed by the Office of Personnel and our  
position is as follows:

- ☒ No objection.
- ☐ Continue monitoring/OP interest.
- ☒ No CIA equities.
- ☐ Seek CIA exemption.
- ☐ Advise OP when enacted.
- ☒ Comments.

This bill would have no impact upon the amount of income received by Federal employees stationed overseas that is subject to Federal taxation. This bill would end, with respect to U.S. citizens and residents living abroad, the exclusion from their gross income, and exemption from taxation, of their foreign earned income up to \$70,000. Foreign earned income, however, does not include amounts received as a pension or annuity nor amounts paid by the U.S. Government to a U.S. employee.

STAT

22 April 1988  
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FROM:

Compensation, Automation, and Planning/OP

SUBJECT: H.R. 4221, Section 457 Clarification Act of 1988

Subject bill has been reviewed by the Office of Personnel and our position is as follows:

☒ No objection.

☐ Continue monitoring/OP interest.

☒ No CIA equities.

☐ Seek CIA exemption.

☐ Advise OP when enacted.

☒ Comments.

This bill proposes an amendment to the Internal Revenue Code of 1986 to clarify that section 457 does not apply to nonelective deferred compensation or basic employee benefits.

Since section 457 deals with deferred compensation plans of state and local governments and tax-exempt organizations, this amendment would have no impact upon nor be applicable to the Federal government.

STAT

21 April 1988  
Date

Name / Signed